

## **ADMINISTRATION TEAM MINUTES**

**Date:** January 13, 2006  
**Time:** 9:00 am  
**Place:** Tacoma AGC Building

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<b><u>Attending</u></b>	Mark Borton	<u>✓</u>	David Jones	<u>✓</u>	Mark Rohde	<u>   </u>
	Jerry Brais	<u>✓</u>	David Mariman	<u>✓</u>	Mark Scoccolo	<u>✓</u>
	Forrest Dill	<u>✓</u>	Craig McDaniel	<u>   </u>	Dave Standahl	<u>   </u>
	Bob Glenn	<u>   </u>	Tina Nelson	<u>   </u>	Greg Waugh	<u>   </u>
	Paul Gonseth	<u>✓</u>	Cathy Nicholas	<u>✓</u>	Tom Zamzow	<u>✓</u>
	Tim Hayner	<u>✓</u>	Ken Olson	<u>✓</u>		
	Ann Hegstrom	<u>   </u>	Roger Palfenier	<u>✓</u>		

The minutes of the December 9, 2005 minutes are corrected by revising the second bullet under Complex Progress Schedules, Section 1-08.3 to read:

- Specifying single-source software must be avoided.

### **New Business – Standing Disputes Review Boards**

What is the possibility of having a Standing DRB that is available to those projects that do not require a DRB in the contract? If no board is specified then disputes that are not resolved through the processes in Section 1-04.5 have little other recourse except pursuing a claim. The contract requires claims under \$250,000 to go back to ADR. It was suggested that this amount seems low, but may be a legal requirement. Local Agencies would benefit from having access to a standing DRB as well, and may be willing to pay any fee that is required. It was noted that any contract may add the DRB provisions by change order, and establish a board.

### **Old Business**

#### **Force Account Equipment Rates**

There is still uncertainty in the about what to do with the Primedia Blue Book fuel adjustment memo. WSDOT holds to the position that the memo is not supported by the WSDOT/AGC Rental Agreement or the Contract. A change to that Agreement will be required to apply the adjustments described in the memo. The Blue Book is updated bi-annually in January and in June. Heavy earthwork equipment is among the items that will not be updated until June 2006. Although the issue will go away with that update, WSDOT affirms a commitment to finding the right way to apply it.

Complex Progress Schedules, Section 1-08.3

At the last meeting, a suggestion was made to bring the author of the Design Build schedule specs to the meeting for a discussion of those requirements. Since no follow-through was made on this suggestion, the Team revisited the discussion points recorded from the last meeting.

- Cost loading and resource loading should not be required. If the CPM is not used to generate payment on Design-Bid-Build contracts, then why would cost/resource loading be needed? It would add a lot of effort to the review process, and owners should stay out of the business of “approving” contractors resource planning. The Team agreed that cost/resource loading should not be a requirement of the schedule, as it is just feel-good information for the owner unless the schedule is used to generate payment.
- Specifying single-source software must be avoided. WSDOT has specified sole source scheduling software on some projects but probably should not be doing this. The top three scheduling applications are Primavera P3, SureTrak and MS Project. A survey of Contractors reveals that most use SureTrak, and that it is adequate for most applications. P3e/c is expensive and is not widely employed by the members of the Team. Specifying software that is “approved by the Engineer” cannot be bid. It was noted that there are benefits to the Owner by not having the software, because profound understanding is gained when recreating the schedule logic independently. A suggestion was made to consider the “web based capabilities” of scheduling software for construction management. It was further noted that this has been on the “Round Tuit” list for a long time.
- Specifications should include a turnaround time by the owner. This concept is unanimously accepted.
- Specifying maximum activity durations may only complicate the schedule, and longer durations should be allowed when they are reasonable. Lengthy activities should be displayed in reasonable durations. The focus should be on activity detail and not duration.
- Specifying float ownership may cause float to be sequestered and result in a negative affect. Changes in activity sequence and duration that consume float should be communicated. Delays to non-critical activities may increase cost to the contractor, and is exemplified by the large crane scenario. The spec should remain silent as to float ownership.
- Monthly schedule updates should be required. This should really be more of a process rather than a product, and should result in a discussion of project issues and progress. How do you specify this? It is easy enough to specify monthly

updates and meetings and include “or as otherwise agreed” language to discourage change order credit-seekers.

- Early completion that is delayed by the unavailability of Owner resource is not compensable. Is this enforceable and has it been challenged? Should this type of language be included in the provision? The Attorney General has commented that it is important and needs to be included. Although the Design-Build provisions are reported to deny compensation for delayed early completion, those may be a different animal than traditional Design-Bid-Build contracts. The courts have held that Contractors have the right to finish early, and state law prohibits “no-pay for delay” clauses. How does the unavailability of Owner resources clause not violate that law? Again, the Attorney General supports that it be included and is presumed to have superior knowledge that it is enforceable. Resource shortages have historically not been a problem for WSDOT - but may be in the future considering the program, and are a problem for local agencies.
- A bid item for schedules should be included. Other states should be studied to see how they set the amount for a minimum bid pay item. Paying for schedules under the 80/20 percent payment scheme is still favored. Paying for updates tends to work itself out, since the cost of specified periodic updates can be bid, Owner generated updates can be included in the price of the change order that adds time, and Contractor controlled updates (i.e. for falling behind schedule) should not obligate the Owner to compensate the Contractor for providing an update.
- Complex schedules should apply to multi-season jobs, those with many stages, or high cost projects. How are these defined? It was suggested that the provision should be used only with HQ approval. Also, the question arose whether projects that require a complex schedule should also require an A+B bidding environment. Although A+B bidding does stimulate innovation, it is really appropriate for high public impact projects but not necessarily complex projects.

The Team concluded that, with the exception of specified updates periods and software applications, the rewrite for “Standard” (aka Type B) schedules contains nearly all of the desirable elements for a complex schedule. Further brainstorming produced possible additional content requirements such as procurement durations, submittal durations and delivery dates. A discussion of specifying scheduling terms and standards resulted in a conclusion that the terms and processes of CPM scheduling are an industry standard that does not require a glossary.

**ACTION** – Dave Mariman will author the additional requirements for a complex schedule and bring to the next meeting for a review of what may be lacking.

#### Old Business – Critical Materials GSP

The two existing critical materials GSP’s were modified to provide a fill-in for the materials identified as critical by this Team, and distributed for comments. One is used

for contracts that begin according to the Standard Spec for beginning contract time, and the other is used when a delayed start is desired. HMA mix designs are now included in both drafts, even though they are handled by a third existing GSP. It may be possible to boil all three into one provision that does it all. Overall comments were favorable of the rewrite with a few suggested enhancements. The Roadway Construction Engineer is also reviewing the provisions for mix design related concerns.

ACTION – Dave Mariman will revise the provisions based on this feedback and bring to the next meeting.

**Next Meeting**

The topics of the next meeting include:

- Section 1-08.3, 1-08.5 and 1-08.8 rewrites and results of meeting with the AGO.
- Section 1-08.3 Complex Schedule draft review.
- Section 1-08.5 Critical Materials draft review.
- AGC/WSDOT rental rate agreement fuel adjustment discussion.

The next meetings are scheduled for:

Friday, February 10

Friday, March 10

Friday, April 14

Friday, May 12

The meeting adjourned at 12:00 noon.

Subject Area	Sponsor
Section 1-08.3	Craig McDaniel
1-08.3 alternate simple job	Paul Gonseth
1-08.3 alternate complex job	Forrest Dill/David Mariman
Section 1-08.4	David Mariman
Section 1-08.5	Paul Gonseth/Greg Waugh
Section 1-08.5 (sub) Critical Materials Spec	Mark Borton/David Mariman
Section 1-08.5 (sub) Variable Start Date	Dave Standahl
Section 1-08.5 (sub) Alternate Shifts (could be a family of specs)	Tim Hayner

Section 1-08.5 (sub) Work not Allowed (events, traffic, permit provisions)	Paul Gonseth
Section 1-08.6	Dave Jones
Section 1-08.7	Ann Hegstrom
Section 1-08.8	Mark Scoccolo
Review, Summarize Region Specials	Craig McDaniel

**Team's "Round Tuit" List (cont)**

1. Tort Claims Liability/Accident Reports
2. Bid Item for On-site Overhead
3. Disputes Review Boards
4. Joint Training—Documentation
5. Payroll, Wage Administration procedures
6. Materials on Hand provisions
7. Web-Based Construction Management